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DISARMAMENT COMMISSION

RELATIONSHIP BETWEEN DISARMAMENT AND DEVELOPMENT

Addendum

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CZECHOSLOVAKIA

[Original: English]

[12 July 1984]

The tense international political situation, accompanied by new rounds of the arms race and an increased danger of an outbreak of nuclear war, threatens the world peace and the security of nations.

From the economic point of view, armaments have serious consequences for the economic development of individual countries regardless of the level of their development.

The hectic armaments result in reallocations of the State budgets to the benefit of the military sector of the economy. At the level of national economies this fact creates deformations in the functioning of the different parts of the economy and entails a chain reaction of ever new cumulative harmful effects. A graphic example of the negative impact of growing military expenditures is the creation of budget deficits in a number of countries. The corrective economic measures adopted by the Governments of these countries in an effort to eliminate or to finance the budget deficits influence, relative to the international importance of the respective economies, the economic and social situation in other countries through the mechanism of international commercial, financial and monetary relations. This is especially true of the United States whose policy of high interest rates has substantially increased international financial problems and the indebtedness of the developing countries.

Parallel with the increasing share of military expenditures of countries, the available funds for their all-round and proportionate economic development are decreasing.

The curtailing of expenditures for public health, education, housing and the development of the infrastructure in the capitalist countries results in reduced employment opportunities in these fields and this drop greatly surpasses in its size the increased number of jobs in armaments related industries. How unrealistic are the allegations of the advocates of armaments on the positive effects of increased arms production on unemployment can be seen when one compares the astronomical sums spent currently on armaments in the capitalist countries with the small number of jobs by which the employment opportunities increased in arms related industries.

A halt of the senseless arms race and a subsequent reduction of military expenditures would enable States to resolve problems related to the budget deficits, national indebtedness, high interest rates and monetary instability, as well as problems created by the ever-growing unemployment and deepening social problems.

The developing countries, too, have not been spared the negative impact of the deteriorated international political situation and the enormous growth of military

expenditures. The fanning of old and the creation of new hotbeds of local conflicts in various parts of the world as a direct consequence of the aggressive policies of the United States and its imperialist allies drain the already limited material and financial resources of the developing countries. The inordinate military expenditures and the buildup of military machineries produce wide-spread economic difficulties and sharp social conflicts in many developing countries. If the military expenditures of the developing countries in Asia, Africa and Latin America were reduced by a mere third, the developing countries would gain resources amounting to the total value of the annual "development assistance" provided to them by capitalist States.

Currently, when a number of countries, particularly the smaller and economically weaker ones, must come to terms with the far-reaching consequences of the crisis development of the world capitalist economy in the early 1980s, it is more than ever necessary to consider the economic consequences of armaments and to exert every effort to reach progress in international negotiations on the freezing of military expenditures and on their gradual genuine reduction. The excessive armaments with their wide-ranging impact on national economies and their external economic relations are one of the fundamental causes of the crisis situation in world economy. The armaments imposed on the world by imperialist forces are draining vast material, financial, scientific and technological resources that should serve above all the balanced and all-round economic growth of countries. The new rounds of the arms race, when military expenditures are reaching a disproportionately high share in the gross national products of States, result in the deformation of the economic structures in individual countries and create insecurity in the international economic relation.

The confrontation course of the United States and its North Atlantic allies in the international political and military spheres is accompanied by the pursuit of a selfish and aggressive policy in the economic sphere. The adoption of various egotistic measures on the level of national economies with a view to resolving at any price one's own economic problems that are deepening particularly as a result of the excessive growth of military expenditures, has in many respects substantially deteriorated the conditions for the functioning of national economies in a number of other countries, especially developing ones, and strengthened the factors blocking the development of normal international co-operation. It is ever more apparent that the policy of imperialist States in the international economic sphere is an inseparable concomitant of the same policy of the imperialist countries in non-economic spheres, particularly in political relations. It is the same kind of policy stemming from an unrealistic view of the world, from the striving to rule the world, to maintain, on the one hand, entire continents in backwardness and, on the other hand, to strengthen one's own political, military and economic positions in the world. The achievement of these objectives is pursued both by the national economic, especially financial and monetary, policies of the United States and other imperialist States, as well as their policies in the international economic relations, using recklessly expanding protectionism and an ever more widespread introduction of discriminatory measures, mostly for non-economic reasons.

The scope and depth of the problems caused by the selfish domestic economic policies of the United States and its non-co-operative approach to international economic co-operation demand the speedy adoption of effective measures aimed at mustering the necessary resources, particularly by means of disarmament.

The current long-term complications in the international economic situation and the obstacles to the development of economic relations among States in themselves are convincing evidence that the tense international political relations, the escalation of the arms race and the imposition of foreign will on sovereign States - all of them characteristic features of the current policies of the most reactionary ruling circles in the world, particularly in the United States of America - create major obstacles to progress. They slow down the rate of development and cause immense material losses to the nations of the world and deprivations, poverty, hunger and disease. But the greatest danger arising from the implementation of aggressive political doctrines of imperialism at this time is the growing threat of an outbreak of a nuclear war which would mean the end of life on our planet.

For these reasons we believe that the fundamental prerequisite of progress in the solution of the most urgent problems facing mankind is the relaxation of international political tensions and the strengthening of international security, along with the promotion of the principles of confidence-building in the political but also in the economic relations, and the achievement of a reduction of military expenditures.

It is difficult to imagine that a conference on the different aspects of the relationship between armaments and development that would not involve the adoption of measures for disarmament could facilitate the release of the resources needed for development purposes. In such a situation the holding of the conference could be misused by the opponents of disarmament to camouflage their unwillingness to take concrete steps towards limiting armaments.

It is an undeniable fact that in the conditions of growing international tension, feverish arms race accompanied by a sharp increase of military expenditures that are becoming an ever heavier burden for the nations of the whole world, the adoption of practical measures to reduce military expenditures of States and to allocate sufficient resources for development objectives is particularly timely.

The reduction of military expenditures, especially by all States possessing nuclear weapons and other militarily significant States, would effectively contribute to the halting of the arms race and would create the necessary prerequisites for the transition to disarmament. The resources thus released could be allocated to cover the needs of social and economic development, including the developing countries.

Efforts to freeze and to reduce military expenditures must be joined by all States with a large military potential. It would be particularly significant if such measures were taken by the States members of the Warsaw Treaty and of the North Atlantic Treaty Organization (NATO), because of their high share of military expenditures.

In their Political Declaration adopted at the Prague session of the Political Consultative Committee on 5 January 1983, the States Members of the Warsaw Treaty proposed that direct talks be initiated speedily between the States members of the Warsaw Treaty and of NATO, the objective of which would be to achieve practical agreements on not increasing military expenditures and on their subsequent reduction, either in percentage or in absolute terms. That appeal was reaffirmed and specified in Moscow on 28 June 1983 at the summit meeting of leading Party and State representatives of Bulgaria, Czechoslovakia, Hungary, the German Democratic Republic, Poland, Romania, and the USSR, who again called on the States members of NATO to open without delay direct talks aimed at reaching an agreement on not increasing military expenditures in the subsequent period of time.

The goal followed by the States members of the Warsaw Treaty in proposing the mentioned talks is to achieve as soon as possible concrete agreements on not increasing and subsequently reducing military expenditures, in order to allocate the released resources to cover the needs of social and economic development, including the needs of the developing countries. The reduction of military expenditures must contribute to the halting of the arms race and to the transition to disarmament. The proposed talks on not increasing military expenditures would be a part of joint efforts for the achievement of that objective.

In an endeavour to achieve progress in this extraordinarily important question, the States members of the Warsaw Treaty submitted a proposal to the States members of NATO on not increasing, and reducing military expenditures. A joint document, submitted by the socialist States on 5 March 1984 to the NATO States, contains proposals for initiating practical talks on this question. No response as yet has been received from the NATO countries.

The Czechoslovak Socialist Republic continues to be convinced that the holding of the proposed talks and the adoption of concrete measures to that end would contribute to speedier economic and social development of all States, of all peoples, to a better political climate and would be in keeping with the vital aspirations of nations alarmed by the constant deterioration of the international situation and the escalating arms race.

INDONESIA

[Original: English]

[30 July 1984]

1. Disarmament and development both invite attention and advocacy, each in its own right. The value of considering disarmament and development is twofold, first, pointing out the benefits that each carries for the other strengthens the arguments for both; second, anticipating the ways in which the links between them might be established or strengthened helps to prepare for making the most of the development opportunities that could be created by disarmament.

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2. It is to be recalled that much of the work to date on the relationship between disarmament and development has concentrated on three main areas: present-day utilization of resources for military purposes; economic and social effects of a continuing arms race; and conversion and redeployment of resources. Thus, studies by the United Nations have been policy-oriented and placed special emphasis on both the desirability and the feasibility of reallocation, following disarmament measures, of resources now being used for military purposes to economic and social development, particularly for the benefit of the developing countries. These studies have also awakened both the leaders and public at large of the prohibitive costs of armaments to the entire international system.

3. A substantial movement towards disarmament would release substantial funds, creating an important economic opportunity the utilization of which depends on politically determined priorities as well as effective policy-making and forceful implementation.

4. Although disarmament does not inevitably lead to development, it is clear that high military spending constrains development directly and indirectly. It is well known that the industrialized States account for nearly three quarters of the estimated \$700 billion global military expenditure, with the super-Powers accounting for half of the world's defence budget. While the allocation of such huge sums profoundly affects not only the economies of the industrialized world and the international economic system, but also manifests itself in the decline of official development assistance as a proportion of donor gross national product (GNP) and the growing tendency towards protectionism. Therefore, consideration of this issue must at this stage go beyond pointing out the negative impact of military expenditure on disarmament. Attention should now be focused on how positive, casual linkages between disarmament and development can be established and strengthened at the local, national, regional and international levels, and discussion should be directed towards the identification of key issues for policy formulation to assure that the resources released from military budgets will, in fact, be utilized for sorely needed development.

5. A strategy for directing the resources gained from disarmament toward development can only be built on the basis of an explicit recognition of, and commitment to, economic interdependence. An essential aspect of such an approach is a strongly trade-oriented programme for global development built on the firm foundation of general arms reduction which will undeniably result in mutual co-operation for the benefit of all mankind.

6. Within most developing regions, structural poverty and glaring inequality provide grounds for domestic social conflicts which create a vulnerability for external intervention. Economic growth and structural change require sustained development efforts. Regional security and development arrangements would help developing countries achieve both goals. These might include, among others, joint production of defensive weapons on a regional basis and joint defensive exercises, both of which would introduce economies of scale in meeting legitimate defensive needs and reassure the participants about the capabilities and intentions of their neighbours. Such arrangements are contingent upon the prevalence of mutual trust and confidence as demonstrated in deeds and actions of the States concerned.

7. The international community as a whole has a stake in common security and common prosperity. But the kinds of policies that can be formulated by States collectively to advance their common interests can only be addressed by the convening of an international conference at a high political level to facilitate a comprehensive discussion of all the complex issues involved.
